

**BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breux Bridge, Louisiana**

Financial Report

Year Ended December 31, 2013

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Honorable Randy P. Angelle, Judge
 Breaux Bridge City Court
 (St. Martin Parish Ward Four Court)
 Breaux Bridge, Louisiana

We have reviewed the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Breaux Bridge City Court, a component unit of the City of Breaux Bridge, Louisiana, as of and for the year ended December 31, 2013, which collectively comprise the City Court's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the Breaux Bridge City Court. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

The management of the Breaux Bridge City Court is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 8 to the financial statements, the City Court adopted the provisions of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, in 2013.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report, dated June 20, 2014, on the results of our agreed-upon procedures.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 26 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information was not audited, reviewed, or compiled by us, and we do not express an opinion or provide any assurance on it.

Management has omitted the management's discussion and analysis information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The results of our review of the basic financial statements are not affected by this missing information.

Kolder, Champagne, Slaven & Company, LLC

Certified Public Accountants

Breaux Bridge, Louisiana
June 20, 2014

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana

Statement of Net Position
December 31, 2013

ASSETS

Current assets:

Cash - Unrestricted	\$ 234,792
Cash - Criminal account	<u>89,101</u>
Total current assets	<u>323,893</u>

Noncurrent assets:

Capital assets, net	7,224
Restricted cash	<u>9,011</u>
Total noncurrent assets	<u>16,235</u>

Total assets	<u>340,128</u>
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DEFERRED OUTFLOWS OF RESOURCES

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LIABILITIES

Criminal bonds payable	<u>88,617</u>
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Total liabilities	<u>88,617</u>
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DEFERRED INFLOWS OF RESOURCES

-

NET POSITION

Investment in capital assets	7,224
Restricted	9,011
Unrestricted	<u>235,276</u>

Total net position	<u>\$ 251,511</u>
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See accompanying notes and independent accountants' review report.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana

Statement of Activities
Year Ended December 31, 2013

Judiciary expenses:

Adolescent drug court expenditures	\$ 2,551
Computer expense	268
Contract labor	955
Depreciation expense	4,061
Drug test expense	905
Dues and seminars	7,030
Miscellaneous	7,497
Probation fees	10,325
Repairs & maintenance	5,374
Retirement	10,307
Salaries	4,772
Subscriptions	120
Supplies	1,915
Uniforms	3,485
Witness fees	2,100
Total expenses	<u>61,665</u>

Program revenues:

Court costs received	61,178
Probation income	<u>10,325</u>
Total program revenues	<u>71,503</u>

Net program revenue	<u>9,838</u>
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General revenues:

Interest income	180
Miscellaneous	<u>6,665</u>
Total general revenues	<u>6,845</u>

Change in net position	16,683
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Beginning net position	<u>234,828</u>
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Ending net position	<u>\$ 251,511</u>
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See accompanying notes and independent accountants' review report.

FUND FINANCIAL STATEMENTS (FFS)

FUND DESCRIPTION - MAJOR FUND

MAJOR FUND

General Fund

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
BreauX Bridge, Louisiana

Balance Sheet - Governmental Fund
General Fund
December 31, 2013

ASSETS

Cash - Restricted	\$ 9,011
Cash - Unrestricted	234,792
Cash - Criminal account	<u>89,101</u>
 Total assets	 <u>\$ 332,904</u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Criminal bonds payable	<u>\$ 88,617</u>
 Total liabilities	 <u>88,617</u>
 Fund balance:	
Restricted	9,011
Unassigned	<u>235,276</u>
 Total fund balance	 <u>244,287</u>
 Total liabilities and fund balance	 <u>\$ 332,904</u>

See accompanying notes and independent accountants' review report.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
December 31, 2013

Total fund balance for governmental funds at December 31, 2013	\$ 244,287
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Equipment, net of \$21,623 accumulated depreciation	<u>7,224</u>
Total net position of governmental activities at December 31, 2013	<u>\$ 251,511</u>

See accompanying notes and independent accountants' review report.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
General Fund
Year Ended December 31, 2013

Revenues:

Court costs received	\$ 61,178
Probation income	10,325
Interest income	180
Miscellaneous	<u>6,665</u>
Total revenues	<u>78,348</u>

Expenditures:

Current -	
Adolescent drug court expenditures	2,551
Computer expense	268
Contract labor	955
Drug test expense	905
Dues and seminars	7,030
Miscellaneous	7,497
Probation fees	10,325
Repairs & maintenance	5,374
Retirement	10,307
Salaries	4,772
Subscriptions	120
Supplies	1,915
Uniforms	3,485
Witness fees	2,100
Capital outlay	<u>1,122</u>
Total expenditures	<u>58,726</u>

Excess of revenues over expenditures	19,622
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Fund balance, beginning	<u>224,665</u>
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Fund balance, ending	<u>\$ 244,287</u>
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See accompanying notes and independent accountants' review report.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
Year Ended December 31, 2013

Total net change in fund balance at December 31, 2013 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 19,622
The change in net position reported for governmental activities in the statement of activities is different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay which is considered an expenditure on the Statement of Revenues, Expenditures and Changes in Fund Balance	1,122
Depreciation expense for the year ended December 31, 2013	<u>(4,061)</u>
Total change in net position at December 31, 2013 per Statement of Activities	<u>\$ 16,683</u>

See accompanying notes and independent accountants' review report.

FUND DESCRIPTION - NONMAJOR FUND

FIDUCIARY FUND - AGENCY FUND

An agency fund is used to account for assets held by the City Court in a trustee capacity or as an agent for individuals, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Civil Fund -

The Civil Fund is used to account for advanced court costs on suits filed by litigants which are accounted for on the computer system. The advances are refundable to the litigants after all costs have been paid.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
BreauX Bridge, Louisiana

Statement of Fiduciary Net Position
December 31, 2013

ASSETS

Cash	<u>\$ 24,428</u>
Total assets	<u>\$ 24,428</u>

LIABILITIES

Advanced court costs payable	<u>\$ 24,428</u>
Total liabilities	<u>\$ 24,428</u>

See accompanying notes and independent accountants' review report.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The Breaux Bridge City Court was created under Louisiana Revised Statute 13:1872 as a political subdivision of the State of Louisiana. The Court operates under the control of the City Judge, an elected official serving a term of six years.

The accompanying financial statements of the Breaux Bridge City Court have been prepared in conformity with generally accepted accounting principles (GAAP) generally accepted in the United States of America as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

The accounting and reporting policies of the City Court conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

This report includes all funds and account groups, which are controlled by, or dependent on the City Court Judge. Control by or dependence on the Breaux Bridge City Court was determined on the basis of general oversight responsibility. Governmental Accounting Standard 14 defines the financial reporting entity as a combination of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. This standard is effective for financial statements for periods beginning after December 15, 1992. Breaux Bridge City Court (City Court) is a component unit of the City of Breaux Bridge, Louisiana. The Notes to Basic Financial Statements of the City of Breaux Bridge identify the City Court as a component unit; however, the City of Breaux Bridge does not present the financial information of the City Court.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity, except the fiduciary funds. The City Court has no business-type activities.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana

Notes to Basic Financial Statements (Continued)

The statement of activities presents a comparison between program revenues of the City Court and the cost of the function. Program revenues are derived directly from City Court users as a fee for services. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements (FFS)

The accounts of the City Court are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The funds of the City Court are classified as governmental. The emphasis on fund financial statements is on the major governmental fund, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major fund of the City Court is described below:

Governmental Fund -

General Fund

The General Fund is the general operating fund of the City Court. It is used to account for all financial resources except those required to be accounted for in the Fiduciary Fund and appropriations by other governmental bodies on behalf of the City Court.

The Parish of St. Martin and the City of Breaux Bridge maintain individual accounting records for City Court expenditures financed by their individual appropriations and report such expenditures in their respective financial statements.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana

Notes to Basic Financial Statements (Continued)

The following fund is a nonmajor fiduciary fund:

Agency Fund

An agency fund is used to account for assets held by the City Court in a trustee capacity or as an agent for individuals, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Civil Fund – accounts for advanced court costs on suits filed by litigants.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net position. In the fund financial statements, the “current financial resources” measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana

Notes to Basic Financial Statements (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

When both restricted and unrestricted resources are available for use, it is the City Court's policy to use restricted resources first, then unrestricted resources as they are needed.

Agency funds do not involve measurement of results of operations. They are accounted for using the modified accrual basis of accounting.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Equity

Cash and interest-bearing deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the City Court.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City Court maintains a threshold level of \$500 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana

Notes to Basic Financial Statements (Continued)

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Furniture, fixtures and equipment	5-10 years
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In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

Equity Classifications

In the government-wide statements, net position is classified and displayed in three components:

- a. Investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use, either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – Net amounts of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana

Notes to Basic Financial Statements (Continued)

In the fund statements, governmental fund equity is classified as fund balance. As such, fund balance of the governmental fund is classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the City Judge. The City Judge is the highest level of decision-making authority for the City Court. Commitments may be established, modified, or rescinded only through actions approved by the City Judge.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the City Court's adopted policy, only the City Judge may assign amounts for specific purposes.

Unassigned – all other spendable amounts.

As of December 31, 2013, fund balance is composed of the following:

	<u>General Fund</u>
Nonspendable	\$ -
Restricted:	
Witness Fees	9,011
Committed	-
Assigned	-
Unassigned	<u>235,276</u>
Total fund balance	<u>\$ 244,287</u>

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana

Notes to Basic Financial Statements (Continued)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City Court considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance is available, the City Court considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Judge has provided otherwise in his commitment or assignment actions.

E. Budgetary and Budgetary Accounting

The City Court adopted a budget as required by Louisiana Revised Statute 39:1301-1316, for the fiscal year ending December 31, 2013.

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(2) Cash and Interest-Bearing Deposits

- A. Under state law, the City Court may deposit funds within a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City Court may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2013, the City Court has cash (book balances) totaling \$357,332 of which \$24,428 is attributable to fiduciary funds, which is not presented in the statement of net position.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the City Court's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at December 31, 2013 are secured as follows:

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana

Notes to Basic Financial Statements (Continued)

Bank balances	\$ <u>388,513</u>
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At December 31, 2013 the deposits are secured as follows:

Federal deposit insurance	280,122
Pledge securities	<u>108,391</u>

Total	\$ <u>388,513</u>
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As of December 31, 2013, the City Court's total bank balances were fully insured and collateralized with the securities held in the name of the City Court by the pledging financial institution's agent and, therefore, they were not exposed to custodial credit risk.

- B. Cash - restricted of \$9,011 is made up of monies reserved for witness fees paid to off duty police officers. The monies are held in the bank account of the General Fund; however, a separate set of self balancing books are maintained by the City Court to account for respective funds.

(3) Changes in Capital Assets

Capital asset activity for the year ended December 31, 2013 was as follows:

	Balance <u>01/01/2013</u>	Additions	Deletions	Balance <u>12/31/2013</u>
Equipment	\$ 27,725	\$ 1,122	\$ -	\$ 28,847
Less accumulated depreciation	<u>(17,562)</u>	<u>(4,061)</u>	<u>-</u>	<u>(21,623)</u>
Capital assets, net	<u>\$ 10,163</u>	<u>\$ (2,939)</u>	<u>\$ -</u>	<u>\$ 7,224</u>

(4) Risk Management

The City Court is exposed to risks of loss in the areas of general liability, property hazards, and workers' compensation. Those risks are handled by purchasing commercial insurance. The City of Breaux Bridge, Louisiana's insurance policies cover the City Court. There have been no significant reductions in insurance coverage during the current fiscal year, nor have settlements exceeded insurance coverage for the current or prior two fiscal years.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana

Notes to Basic Financial Statements (Continued)

(5) Expenditures of the Breaux Bridge City Court Paid by the City of Breaux Bridge

The cost of some expenditures for the operation of the Breaux Bridge City Court, as required by statute, is paid by the City of Breaux Bridge, Louisiana. These expenditures are not included in the accompanying financial statements.

The City Court has one elected official, Randy P. Angelle, Judge. His salary is paid by the City of Breaux Bridge and is therefore included in their financial statements.

(6) Pension Plan

Eligible employees of the City Court participate in a multiple-employer public employee retirement system (PERS), which is controlled and administered by a separate board of trustees. This retirement system provides retirement, disability and death benefits to plan members and their beneficiaries. Pertinent information relative to the plan follows:

Louisiana State Retirement System

Plan members are required to contribute 11.5 percent of their annual covered salary to the system while the City Court is required to contribute the statutory rate of 36.3 percent of the total annual covered salary. The City Court's total contributions to the system for the years ended December 31, 2013, 2012, and 2011 were \$10,307, \$11,278, and \$6,767, respectively, equal to the required contributions for each year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Louisiana State Retirement System, P. O. Box 44213, Baton Rouge, Louisiana 70804-4213.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breux Bridge, Louisiana

Notes to Basic Financial Statements (Continued)

(7) Changes in Agency Fund Balances

A summary of changes in agency fund due to litigants and unsettled deposits for the year ended December 31, 2013 follows:

	<u>Civil Court Fund</u>
Balance, December 31, 2012	\$ 29,413
Additions	211,540
Deletions	<u>(216,525)</u>
Balance, December 31, 2013	<u>\$ 24,428</u>

(8) New Accounting Pronouncements

During the fiscal year ended December 31, 2013, the City Court adopted Governmental Accounting Standards Board (GASB) No. 65, *Items Previously Reported as Assets and Liabilities*, which provides clarity for reporting deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. City Court had no items previously reported as assets or liabilities that had to be reported as deferred outflows of resources or deferred inflows of resources.

In June 2012, the GASB approved Statement No. 67, "Financial Reporting for Pension Plans" and Statement No. 68, "Accounting and Financial Reporting for Pensions." GASB Statement No. 67 replaces the requirements of GASB Statement Nos. 25 and 50 relating to financial reporting and note disclosure of pension plans. GASB Statement No. 68 establishes accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through plans covered by Statement No. 67. The provision of GASB Statement No. 67 must be implemented by the pension plans for the year ending December 31, 2014 and provisions of GASB Statement No. 68 must be implemented by the City Court for the year ending December 31, 2015. The effect of implementation on the City Court's financial statements has not yet been determined

(9) Subsequent Events

Management has evaluated subsequent events through June 20, 2014, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana

Budgetary Comparison Schedule
For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Court costs received	\$ 37,200	\$ 55,000	\$ 61,178	\$ 6,178
Probation income	7,290	11,000	10,325	(675)
Interest income	100	110	180	70
Miscellaneous	12,940	8,500	6,665	(1,835)
Total revenues	<u>57,530</u>	<u>74,610</u>	<u>78,348</u>	<u>3,738</u>
Expenditures:				
Current -				
Adolescent drug court expenditures	-	-	2,551	(2,551)
Computer expense	7,230	1,000	268	732
Contract labor	-	1,000	955	45
Drug test expense	2,000	1,500	905	595
Dues and seminars	8,000	8,000	7,030	970
Miscellaneous	2,100	9,500	7,497	2,003
Probation fees	8,000	11,000	10,325	675
Repairs & maintenance	5,000	5,500	5,374	126
Retirement	12,000	11,000	10,307	693
Salaries	-	6,300	4,772	1,528
Subscriptions	2,000	500	120	380
Supplies	2,000	2,100	1,915	185
Uniforms	4,000	3,500	3,485	15
Witness fees	2,200	1,600	2,100	(500)
Capital outlay	<u>3,000</u>	<u>3,000</u>	<u>1,122</u>	<u>1,878</u>
Total expenditures	<u>57,530</u>	<u>65,500</u>	<u>58,726</u>	<u>6,774</u>
Excess of revenues over expenditures	-	9,110	19,622	10,512
Fund balance, beginning	<u>216,488</u>	<u>224,665</u>	<u>224,665</u>	<u>-</u>
Fund balance, ending	<u>\$ 216,488</u>	<u>\$ 233,775</u>	<u>\$ 244,287</u>	<u>\$ 10,512</u>

See independent accountants' review report.

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana

Schedule of Prior and Current Findings and
Management's Corrective Action Plan
Year Ended December 31, 2013

I. Prior Year Findings:

Compliance

Item 2012-001 – Noncompliance with Louisiana Local Government Budget Act

Finding:

Louisiana Revised Statute (LSA-R.S.) 39:1301-1314, known as the local Government Budget Act, requires that the budget be amended when budgeted revenues exceed total actual revenues plus projected revenues by five percent or more. The General Fund had an unfavorable variance of approximately 9.6%.

Status:

Resolved.

Internal Control Over Financial Reporting

Item 2012-002 - Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of employees, Breaux Bridge City Court did not have adequate segregation of functions within the accounting system.

Status:

Unresolved. See item 2013-001.

Item 2012-003 – Inadequate Controls over Financial Statement Preparation

Finding:

Breaux Bridge City Court does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.

Status:

Unresolved. See item 2013-002.

(continued)

BREAUX BRIDGE CITY COURT
(ST. MARTIN PARISH WARD FOUR COURT)
Breaux Bridge, Louisiana

Schedule of Prior and Current Findings and
Management's Corrective Action Plan (continued)
Year Ended December 31, 2013

II. Current Year Findings and Management's Corrective Action Plan:

Compliance

There are no findings that are required to be reported at December 31, 2013.

Internal Control Over Financial Reporting

Item 2013-001 - Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of employees, Breaux Bridge City Court did not have adequate segregation of functions within the accounting system.

Management's Corrective Action Plan:

Randy P. Angelle, Judge, has determined that it is not cost effective to achieve complete segregation of duties within the accounting department. No plan is considered necessary.

Item 2013-002 – Inadequate Controls over Financial Statement Preparation

Finding:

Breaux Bridge City Court does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.

Management's Corrective Action Plan:

Judge Randy Angelle has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interest of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

**ATTESTATION REPORT AND
QUESTIONNAIRE**

C. Burton Kolder, CPA*
 Russell F. Champagne, CPA*
 Victor R. Slaven, CPA*
 Gerald A. Thibodeaux, Jr., CPA*
 Robert S. Carter, CPA*
 Arthur R. Mixon, CPA*
 Penny Angelle Scruggins, CPA
 Christine C. Doucet, CPA
 Wanda F. Arcement, CPA, CVA

Stephen J. Anderson, CPA
 Cheryl L. Bartley, CPA
 Bryan K. Joubert, CPA
 Matthew E. Margaglio, CPA
 Allen J. LaBry, CPA
 Albert R. Leger, CPA, PFS, CSA*
 Marshall W. Guidry, CPA
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 Mandy B. Self, CPA
 Paul L. Delcambre, Jr., CPA
 Kristin B. Dauzat, CPA
 Jane R. Hebert, CPA
 W. Jeffrey Lowry, CPA
 Brad E. Kolder, CPA, JD
 Casey L. Ardoin, CPA
 Deidre L. Stock, CPA
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* A Professional Accounting Corporation

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

OFFICES

183 South Beadle Rd. Lafayette, LA 70508 Phone (337) 232-4141 Fax (337) 232-8660	450 East Main Street New Iberia, LA 70560 Phone (337) 367-9204 Fax (337) 367-9208
113 East Bridge St. Breaux Bridge, LA 70517 Phone (337) 332-4020 Fax (337) 332-2867	200 South Main Street Abbeville, LA 70510 Phone (337) 893-7944 Fax (337) 893-7946
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Retired:
 Conrad O. Chapman, CPA* 2008

The Honorable Randy P. Angelle, Judge
 Breaux Bridge City Court
 (St. Martin Parish Ward Four Court)
 Breaux Bridge, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Breaux Bridge City Court (City Court), and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the City Court's compliance with certain laws and regulations during the year ended December 31, 2013, included in the accompanying *Louisiana Attestation Questionnaire*. Management of the City Court is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$150,000, and determine whether such purchases were made in accordance with R.S. 38:2211-2296 (the public bid law) or R.S. 39:1551-39:1775 (the state procurement code), whichever is applicable.

There were no expenditures made during the year which exceeded \$30,000 for materials and supplies, or \$150,000 for public works.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members, and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management in agreed-upon procedure (3) appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget and amended budget.

6. Trace the budget adoption and amendments to the minute book.

The Breaux Bridge City Court is not required to have meetings as required by R.S. 42:11 through 42:28; therefore, there is no minute book. The budgets were approved by the City Judge.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues did not fail to meet budgeted revenues by 5% and actual expenditures did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

- (a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (b) determine if payments were properly coded to the correct fund and general ledger account; and

All six payments were properly coded to the correct fund and general ledger account.

- (c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated proper approval.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by RS 42:11 through 42:28 (the open meetings law).

The Breaux Bridge City Court is not required to have meetings as required by R.S. 42:11 through 42:28; therefore, there are no agendas.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees that may constitute bonuses, advances, or gifts.

We inspected payroll records for the year and noted no instances which would indicate payments to employees that would constitute bonuses, advances, or gifts. The City Court does not maintain minutes; therefore, there are no minutes to examine.

Prior Comments and Recommendations

12. Review any prior year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

See the summary schedule of current and prior year findings and management's corrective action plan for any comments or unresolved matters.

We were not engaged to, and did not perform an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the City Court and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Breaux Bridge, Louisiana
June 20, 2014

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

May 29, 2014 (Date Transmitted)

Kolder, Champagne, Slaven & Company, LLC

113 East Bridge Street

Breaux Bridge, La. 70517

(Auditors)

In connection with your review of our financial statements as of December 31, 2013 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of December 31, 2013

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes ☒ No ☐

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes ☒ No ☐

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes ☒ No ☐

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes ☒ No ☐

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes ☒ No ☐

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes ☒ No ☐

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes ☒ No ☐

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes ☒ No ☐

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements,

without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes ☒ No ☐


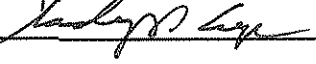
Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report.

	Secretary	<u>5/29/14</u>	Date
 Judge	Treasurer	<u>5/29/14</u>	Date
	President		Date